



Louisiana Housing Corporation

The following resolution was offered by Board Member Donald B. Vallee and seconded by Board Member Michael T. Anderson:

RESOLUTION

A resolution approving and authorizing the issuance of not exceeding Thirty Million Dollars (\$30,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue Refunding Bonds (Taxable) in one or more series or subseries; approving the form of a Series Supplemental Trust Indenture in connection with the aforesaid Refunding Bonds; requesting the State Bond Commission to approve the aforesaid documents and to approve the issuance, sale and delivery of the Refunding Bonds; and providing for other matters in connection therewith.

WHEREAS, the Louisiana Housing Corporation (the "**Corporation**") was created as a public body corporate and politic and an instrumentality of the State of Louisiana (the "**State**") pursuant to Act 408 of the 2011 Louisiana Legislature (the "**Housing Reorganization Law**") which enacted the Louisiana Housing Corporation Act, contained in Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended (R.S.40:600.1 through R.S.40:600.24) (the "**LHC Act**"); and

WHEREAS, pursuant to the Housing Reorganization Law the Corporation is the successor to the Louisiana Housing Finance Agency (the "**Agency**"); and

WHEREAS, as of midnight, June 30, 2012, the Housing Reorganization Law terminated the Agency and mandated that the Corporation assume and complete the activities, authority, power, duties, functions, programs, obligations, operations and responsibilities and any pending or unfinished business of the Agency with the same power and authority as the Agency; and

WHEREAS, there remain outstanding multiple series of single family mortgage revenue bonds of the Agency (the "**Outstanding Prior Bonds**") identified in **Schedule I** hereto that are now obligations of the Corporation and that may now be refunded by the Corporation to provide significant present value benefits to the Corporation; and

WHEREAS, the Corporation desires to authorize the issuance of not exceeding Thirty Million Dollars (\$30,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue Refunding Bonds (Taxable) in one or more series or sub-series (the "**Refunding Bonds**") to refund all or a portion of the Outstanding Prior Bonds and to deliver the Refunding Bonds pursuant to the terms of a Series Supplemental Trust Indenture (the "**Indenture**"), by and between the Corporation and Whitney Bank (the "**Trustee**").

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Louisiana Housing Corporation, acting as the governing authority of the Corporation, that:

SECTION 1. The issuance of not exceeding Thirty Million Dollars (\$30,000,000) of the Refunding Bonds in one or more series or subseries of the Corporation pursuant to the LHC Act and/or pursuant to Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “**Refunding Act**”), and other constitutional and statutory authority (collectively, the “**Authorizing Law**”) at interest rates not exceeding 8% per annum, and for a maturity not exceeding 30 years be, and the same is, hereby approved, along with the Indenture substantially identical to the form thereof on file. The Refunding Bonds are hereby authorized to be delivered to refund all or a portion (i.e., one or more series) of the Outstanding Prior Bonds as recommended by the Corporation’s Financial Advisor and Underwriters.

The Chairman and Interim Executive Director are hereby authorized to execute the Indenture and such other documents, certificates and agreements as may be necessary or convenient to accomplish the objectives of this resolution.

The Chairman and Interim Executive Director are authorized and directed for and on behalf of and in the name of the Corporation to execute, deliver and approve such additional supplemental Indentures to the Indenture of Trust dated as of May 1, 1998 (the “**Master Indenture**”) as may be appropriate to deliver such Refunding Bonds, and such other additional instruments, documents and certificates as may be otherwise required or necessary, convenient or appropriate to the financing described herein. The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with the Authorizing Law and are approved by Co-Bond Counsel.

SECTION 2. The Refunding Bonds shall be sold by the Corporation on such date as may be determined by the Chairman of the Corporation, in accordance with the requirements of the Authorizing Law.

SECTION 3. Application be and the same is hereby made to the State Bond Commission for approval of the documents described in Section 1 hereof in substantially the form filed with the minutes of this meeting and for further approval of the authorization, sale and delivery of the Refunding Bonds in one or more series or subseries by the Corporation pursuant to the provisions of the Authorizing Law. The not-to-exceed costs of issuance attached hereto as **Exhibit A** for the Refunding Bonds is hereby approved; provided, however, that the Corporation agrees to provide a report on the costs of issuance of each subsequent sub-series to the Bond Commission prior to the delivery thereof for approval of the Bond Commission if requested to do so.

By virtue of the Corporation's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval resolved and set forth herein, the Corporation resolves that it understands and agrees that such approvals are expressly conditioned upon, and the Corporation further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Swaps, or other forms or Derivative Products Hedges, Etc.," adopted by the Commission on July 20, 2006, as to borrowings and other matters subject to approvals, including subsequent application and approval under said Policy of the implementation or use of any swaps or other products or enhancements covered thereby.

SECTION 4. The Chairman and Interim Executive Director of the Corporation are hereby authorized, empowered and directed to take any and all action required in order to

implement the terms and provisions of this resolution and the Chairman is hereby further authorized and empowered, in his sole discretion, in order to expedite the sale of the Refunding Bonds, upon recommendations of the Corporation's Financial Advisor and Underwriters, to make such changes in the sale date and other terms (i.e., privately placed or negotiated) as will permit the timely sale and delivery of the Refunding Bonds, all in the best interests of the Corporation and the citizens of the State of Louisiana.

SECTION 5. That it is recognized that a real necessity exists for the employment of bond counsel in connection with the issuance of the Refunding Bonds, and accordingly, Foley & Judell, L.L.P. and Jones Walker LLP are hereby employed as Co-Bond Counsel to the Corporation to do and to perform comprehensive, legal and coordinate professional work with respect thereto. The fee to be paid Bond Counsel shall be an amount based on the Attorney General's current Bond Counsel Fee Schedule and other guidelines for comprehensive, legal and coordinate professional work in the issuance of revenue bonds applied to the actual aggregate principal amount issued, sold, delivered and paid for at the time the Refunding Bonds are delivered, together with reimbursement of out-of-pocket expenses incurred and advanced in connection with the issuance of the Refunding Bonds, subject to the Attorney General's written approval of said employment and fee.

SECTION 6. The Financial Advisor, Underwriter and other participants in the delivery of the Refunding Bonds referenced in **Exhibit A** attached hereto are hereby ratified and approved.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Lloyd S. Spillers, Michael T. Anderson, Tammy P. Earles, Elton M. Lagasse, Nancy T. Montoya, Willie Rack, Christopher Trahan obo Treasurer John N. Kennedy, Donald B. Vallee, Gillis R. Windham.

NAYS: None.

ABSENT: Jennifer Vidrine, Larry Ferdinand.

ABSTAIN: None.

And the resolution was declared adopted on this, the 10th day of August, 2016.


Chairman



Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation (the “**Corporation**”), do hereby certify that the foregoing five (5) pages (along with the attachments for Exhibit A and Schedule I) constitute a true and correct copy of a resolution adopted by said Board of Directors on August 10, 2016: “A resolution approving and authorizing the issuance of not exceeding Thirty Million Dollars (\$30,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue Refunding Bonds (Taxable) in one or more series or subseries; approving the form of a Series Supplemental Trust Indenture in connection with the aforesaid Refunding Bonds; requesting the State Bond Commission to approve the aforesaid documents and to approve the issuance, sale and delivery of the Refunding Bonds; and providing for other matters in connection therewith.”

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Corporation on this, the 10th day of August, 2016.


Secretary

(SEAL)

LOUISIANA HOUSING CORPORATION
SINGLE FAMILY MORTGAGE REFUNDING BONDS
SERIES 2016 (Federally Taxable)

BOND SUMMARY

PURPOSE:

The Corporation's Single Family Mortgage Revenue Refunding Bonds, Series 2016 (Federally Taxable) will be issued for the purpose of refunding the Corporation's Series 2006D and 2007A outstanding single family bond issues.

KEY TARGET DATES:

- Wed., July 13 – Board Meeting to Authorize Refunding
- Wed., August 10 – Board Meeting to Approve Sale Resolution
- Thurs., August 18 – State Bond Commission Approval
- Late August – Pricing
- Late September – Closing

PROJECTED SOURCES & USES

Sources:

Proceeds of the Series 2016 Taxable Bonds	29,995,153.64
Funds Released from Prior Bonds	5,024,922.56
TOTAL SOURCES	34,980,076.20

Uses:

Redemption of 2006D Bonds – Total costs	13,893,625.00
Redemption of 2007A Bonds – Total costs	14,322,866.25
Est. Costs of Issuance	409,385.00
Excess Cash Released to Issuer	6,354,199.95
TOTAL USES	34,980,076.20

* Subject to Change. Amounts above based on current balances and NTE COI.

PRELIMINARY TRANSACTION COSTS

The below costs of issuance reflect not-to-exceed amounts based on an initial projected issue size.
The final costs will be adjusted based on the actual par amount of the bonds.

Underwriting Spread	\$'s / \$000	\$ Amount	GKB	JP Morgan	RJ
Management Fee	1.25	37,500.00	50%	25%	25%
Takedown	5.00	150,000.00	Designated: max. 60% / min. 10% reimbursed as incurred		
Expenses	1.27	38,100.00			
TOTAL	7.52	225,600.00			

Expense Breakdown

UW Counsel Fee (incl. expenses)	Breazeale Sachse	29,000.00
Fees including, CUSIP, Dalnet, DTC & travel		9,100.00

Other Costs of Issuance (Not-to-Exceed Amounts)

		\$'s / \$000 of Bonds	\$ Amount
Bond Counsel Fee	Foley & Judell / Jones Walker		53,010.00
Bond Counsel Expenses			5,000.00
Financial Advisor Fee	Government Consultants		58,000.00
Trustee			
Acceptance and 1 st Annual	Whitney Bank		4,500.00
Trustee Counsel Fee	TBD		5,000.00
State Bond Commission			15,275.00
Rating Agency	Moody's		35,000.00
Printing	ImageMaster		3,000.00
Verification			2,500.00
LHC Expenses			
Publishing, Advertising, Recording			2,500.00
SUB - TOTAL		6.12	183,785.00



Louisiana Housing Corporation
Single Family Mortgage Revenue Bonds
Series 2016 (Federally Taxable)

Preliminary Refunding Analysis: Taxable Pass-Through
As of August 9, 2016

Sources:

	<u>Coupon</u>	<u>Approx. Yield</u>	<u>Price</u>	<u>Amount</u>
12/1/2038 Term Bond ⁽¹⁾	2.60% ⁽²⁾	2.60%	100%	\$26,180,000.00
Est Cash Transferred from Series 2006D				\$3,599,446.02
Est Cash Transferred from Series 2007A				\$1,893,031.59
Issuer's Contribution				\$0.00
Total Sources				\$31,672,477.61

Uses:

Est 2006D Bond Payoff Requirements (Redemption on 10/01/2016)	\$13,859,332.08
Est 2007A Bond Payoff Requirements (Redemption on 12/01/2016)	\$14,322,866.25
Est. Costs of Issuance	\$385,941.00
Excess Cash Transferred to Reserve Funds	\$3,104,338.28
Total Uses	\$31,672,477.61

Mortgages:

	<u>Pass-Thru Rate</u>	<u>Mtg Rate</u>	<u>August Principal Amount</u>
Transferred Certificates			
2006D			
Existing Home (2%)	2.00%	2.50%	\$189,652.30
Existing Home (4%)	4.00%	4.50%	\$451,092.56
Existing Low Rate Loans	5.00% - 5.10%	5.50% - 5.60%	\$1,357,634.45
Existing Taxables	0.0505	0.0555	\$2,652,655.14
Existing Teacher	5.15%	5.650%	\$468,006.40
Existing Assisted	5.36% - 5.49%	5.86% - 5.99%	\$8,612,157.56
2007A			
Existing Home Funds	2.00%	2.500%	\$2,963,062.28
Low Rate	5.10%	5.60%	\$1,858,050.74
Teacher Assisted	5.25%	5.75%	\$411,877.20
Assisted	5.49%	5.99%	\$9,317,661.32
Assisted - 6.30%	5.80%	6.30%	\$1,205,156.23
Total			\$29,487,006.18

Expenses:

Trustee Fee	0.0275%
Guaranty/Servicing Fee	0.5000%
Monthly Issuer Fee	0.5000%

Net Economic Benefit to LHC (Present Values Assume a 3% Discount):

	<u>100% PSA</u>	<u>200% PSA</u>	<u>300% PSA</u>
Excess Cash Transferred to Reserve Funds	\$3,104,338.28	\$3,104,338.28	\$3,104,338.28
External Distributions ⁽³⁾	\$6,821,621.09	\$5,840,790.56	\$5,227,984.97
PV of Issuer Fee	\$983,696.74	\$714,345.69	\$542,197.38
Less: Issuer's Contribution	\$0.00	\$0.00	\$0.00
Est. Net PV of Economic Benefit	\$10,909,656.11	\$9,659,474.53	\$8,874,520.64

⁽¹⁾ The 12/1/2038 bond has a 3.69 year average life at 250% PSA.

⁽²⁾ Bond rate as of August 5, 2016. Subject to change.

⁽³⁾ Surplus is released to LHC semi-annually.

Louisiana Housing Corporation
Single Family Mortgage Revenue Bonds
Series 2016
\$26,180,000

Estimated Costs of Issuance

Underwriting Spread		
	\$/1,000	Total Amount
Management Fee	\$1.25	\$32,725.00
Takedown	\$5.00	\$130,900.00
Expenses ⁽¹⁾	\$1.19	\$38,531.00
Total	\$7.44	\$202,156.00

(1) Expense Breakdown:

UW Counsel	\$1.01	\$26,500.00
UW Counsel Expenses	\$0.06	\$1,500.00
UW Counsel Blue Sky Memo	\$0.06	\$1,500.00
Day Loan	\$0.03	\$728.00
Cusip	\$0.01	\$203.00
DTC	\$0.03	\$800.00
Dalcomp/IPREO	\$0.09	\$2,300.00
Travel, etc.	\$0.19	\$5,000.00
Total	\$1.19	\$38,531.00

Other Costs of Issuance		
	\$/1,000	Total Amount
Co Bond Counsel Fee (Foley & Judnell)	\$1.01	\$26,505.00
Co Bond Counsel Expenses	\$0.10	\$2,500.00
Co Bond Counsel Fee (Jones Walker)	\$1.01	\$26,505.00
Co Bond Counsel Expenses	\$0.10	\$2,500.00
Financial Advisor Fee	\$2.22	\$58,000.00
Trustee		
Acceptance and 1st Annual	\$0.17	\$4,500.00
Trustee Counsel Fee	\$0.19	\$5,000.00
State Bond Commission	\$0.58	\$15,275.00
Rating Agency	\$1.34	\$35,000.00
Printing	\$0.11	\$3,000.00
Verification	\$0.10	\$2,500.00
LHC Expenses		
Publishing, Advertising, Recording	\$0.10	\$2,500.00
	\$7.02	\$183,785.00
Grand Total		\$385,941.00